



THE MARKET

A.H. Beard is recognised as one of Australia and New Zealand's leading manufacturers of quality mattresses and bedding. The company's overriding purpose is "improving lives through better sleep."

Established in 1899, it is a fourth-generation family owned business employing more than 400 people. A.H. Beard products are manufactured across seven manufacturing facilities – six in Australia and one in New Zealand. The company's headquarters are based in the Sydney suburb of Padstow, which also houses state-of-the-art manufacturing facilities servicing New South Wales and international customers.

A.H. Beard manufactures between 6,000 and 10,000 mattresses per week across seven distinct brands, and the business continues to grow despite competition from low-cost imports. A.H. Beard products are available in more than 1,000 retail stores across Australia and New Zealand, including Harvey Norman, Domayne, Forty Winks and many independent retailers.



A.H. Beard has expanded its international presence through distribution agreements with strategic partners in the United States, China, Hong Kong and Fiji. From being a leading player in the Australian and New Zealand markets, A.H. Beard is now aiming to become a major world leader in the sleep solutions category.

ACHIEVEMENTS

A.H. Beard is a recognised leader in sleep innovation and has always fostered a culture of continuous product improvement, resulting in numerous first-to-market advances.

The organization boasts several firsts to the Australian market, including the first single-sided mattress, the first to introduce visco-elastic foam and the first to launch speciality latex mattresses. A.H. Beard also invented and patented a clip-lock method of securing a mattress to an adjustable

base, in place of the standard metal retainer bar.

King Koil is A.H. Beard's most well-known brand, and is manufactured under licence in Australia and New Zealand. Today King Koil beds around the world are benchmarked against A.H. Beard's patented Reflex support system, recognised by the International Chiropractors Association as the leading support technology. This innovative spring system responds to each person's individual body shape to deliver the specific level of support they need, regardless of their size, weight or preferred sleep position.

The company is committed to pushing the envelope for innovation and competitive edge, and in 2016 launched Australia's first smart bed, Sleepsense. This innovative sleep system was the first of its kind to introduce sleep tracking technology inside a mattress with adjustable comfort. This technically advanced innovation allows couples to independently adjust the firmness on each side of their mattress using an App on their smartphone or a remote control. The App also allows each person to monitor individual sleep quality with sleep data and nightly sleep scores delivered directly to each smart phone.

In 2017, the company added to its smart bed portfolio with the launch of iComfort, which also allows sleepers to select their desired firmness on each side, and adjust the comfort at any time to meet their changing needs. Integrated sleep tracking, incorporated into the mattress using a patented system, allows users to monitor their sleep quality and make adjustments to their mattress firmness to improve their sleep, night after night.

HISTORY

A.H. Beard has come a long way from its humble beginnings in 1899 when founder Enoch William Beard started The Australian Bedding Mill, producing handmade straw paillasses and hand tufted horse hair bedding.

Two and a half decades later The Australian Bedding Mill burnt to ashes, leaving Enoch with nothing. His son, Albert, a visionary entrepreneur inherited his father's unique skills and, with high hopes of continuing the family tradition, established A.H. Beard Pty Ltd in 1927.

The family's hard work and grit paid off. Exceptional craftsmanship backed by comprehensive after sales service saw A.H. Beard's reputation for crafting superior mattresses quickly spread.

In 1946, the rise in demand and desire to



improve the product offering led Albert's son Austin to introduce modern technology in the form of automated spring machinery to the company's production process. The company has continued to manufacture superior mattresses for Australian and New Zealand households and the commercial sector.

The introduction of the King Koil brand in the early '80's positioned A.H. Beard as a game changer and pioneer in the industry of mattress distribution.

Garry Beard joined his father in the business in the late '70's with Allyn joining in the early '90's. As fourth generation mattress makers, Garry and Allyn embarked on a period of national and international growth. This expansion included the establishment of a manufacturing facility in Auckland, New Zealand in 1996.

On home soil, A.H. Beard achieved its objective of national distribution through acquisitions and new facilities. The establishment of a partnership and licensing agreement with Thomas Peacock and Sons in 1995 secured distribution in Western Australia. In 1997, the company acquired Suparest bedding in Victoria. Two years later, A.H. Beard purchased Domino - a 90-year-old Sydney-based bedding firm, and established a facility in Tasmania, thus cementing the company's manufacturing and distribution operation across the south-eastern states. In 2008, A.H. Beard acquired South Australian-based SleepHaven Bedding, completing a national operations and distribution network.

A long-time member of Family Business Australia, A.H. Beard was named Family Business of the Year in 1999, and in 2012 - marking its 113th year in business - A.H. Beard was inducted into the Family Business Australia Hall of Fame.

The move into China in 2012 proved a major turning point for the company. Leading Chinese marketer and retailer of high-end goods, Shanghai Green, sought out A.H. Beard in an effort to

become the brand's sole licensee for mainland China. Premium Australian made beds were initially showcased in their existing retail stores until the first A.H. Beard branded store was opened by former Prime Minister John Howard in Shanghai in 2013. A.H. Beard's export business to mainland China and Hong Kong has grown by over 100% each year since.

In 2016, A.H. Beard was named the official bedding partner of the Australian Institute of Sport, ensuring our elite athletes get a good night's sleep, which is essential for optimum performance.

Enoch's legacy continues, with members of the fifth generation of the Beard family currently working within the business. They share their ancestors' passion for creating quality sleep products that transform lives, and relish the opportunity and responsibility that comes with building on the success of A.H. Beard for future generations.

THE PRODUCTS

A.H. Beard's close relationships with its retail partners has led to a greater understanding of its customers' needs, while its flexible, agile approach enables the company to customise product offerings to meet each one's unique requirements.

A.H. Beard's brands include King Koil, Domino, Health Rest, Nature's Rest, Sleepsense, and iComfort, and are available in more than 1000 retail stores across Australia, including Harvey Norman, Domayne, Forty Winks and numerous independent retailers. Internationally, A.H. Beard branded products are available in New Zealand, China, and the United States.

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With the Chinese luxury market in its sight, A.H. Beard launched its Signature Collection in 2013, which revived the traditional techniques



employed by the company's original mattress master craftsmen. Made to order, each one is sewn entirely by hand and boasts layers of premium Australian natural fibres, including merino wool, alpaca, mohair, and cotton.

Catering to the over nine million Australians with asthma, A.H. Beard is the only mattress manufacturer with whole-of-product approval from the National Asthma Council of Australia's Sensitive Choice program. This program was developed specially to assist Australians and New Zealanders identify products that may help them manage asthma and allergy symptoms more effectively.

A.H. Beard chooses to use EvoFoams in their mattresses, which are made using the world's most advanced foam-making process, Variable Pressure Foaming (VPF) Technology. Unlike traditional foam manufacturing, EvoFoams are made in a totally enclosed chamber, preventing the escape of emissions into the environment. They have been independently tested by Good Environmental Choice Australia and certified at the highest level of environmental preference exceeding Australian and international environmental regulations.

PROMOTION

The company's purpose of 'improving lives through better sleep' was the driving force behind the creation of A.H. Beard's 6 Week Sleep Challenge. Developed in conjunction with leading sleep scientist, Dr Carmel Harrington, this online health and wellbeing improvement program encourages participants to make behavioural changes to improve their sleep.

To date, more than 60,000 Australians and New Zealanders have taken part in the 6 Week Sleep Challenge. The program was recognised for smart thinking at the 2013 Mumbrella Awards receiving the Mumbrella Award for Insight.

BRAND VALUES

A.H. Beard is built on strong family values. Founders, Enoch William and later Albert Henry believed in high quality mattresses that provided value for money. And over 118 years on, this still holds true.

The company boasts a team of dedicated, highly skilled people, many of whom are second generation mattress makers. One long-term employee started as a 15-year-old apprentice, following in the footsteps of his father who worked for the company for 43 years. This is a common theme, with numerous families having multiple members working within the business. It's this sense of family and respect that have contributed to the organisation's longevity and success.

A commitment to transparency means A.H. Beard has a constitution, family charter, board charter, shareholders' agreement and business policies paper.

The company also sees its suppliers and retailers as partners in growth, and works closely with both to realise their purpose of improving lives through better sleep.

CSR: Mattress Recycling Program

A.H. Beard Chairman Garry Beard has long had an interest in what happens to products at the end of their life. Mattresses are the bulkiest and among the most common household items put out for council collection, and each year 1.25 million end up in landfill.

The company is a partner of Soft Landing, a national scheme designed to increase resource recovery and diversion of waste from landfill to minimise environmental health and safety impacts of end of life mattresses. An average mattress contains 12.5kg of steel, 2kg of wood and 1.5kg of foam components that Soft Landing separates for recycling, in the process diverting thousands of tonnes of waste from landfill each year.

Garry Beard has been instrumental in the establishment of the Soft Landing Product Stewardship Scheme and conducting a global search of mattress recycling best-practice to ensure the Australian program is a success.

Soft Landing, the social enterprise at the core of the scheme, employs 75 paid staff and 35 volunteers and has 15 trucks collecting from councils, hotels and private homes, providing jobs and traineeships for people experiencing disadvantage in New South Wales, Victoria and the Australian Capital Territory.

A BRIGHT FUTURE

A.H. Beard's sights are now set on the world stage with more innovations in the pipeline. As members of the fifth generation join the company, bringing fresh ideas and a passion for improving lives through better sleep, A.H. Beard is on track to become one of Australia's most iconic companies in the next decade.

The company is committed to educating people about how sleep can improve their lives as they look to expand beyond traditional bedding into the ever-growing realm of sleep solutions.



THINGS YOU DIDN'T KNOW ABOUT A.H. BEARD

- Since 1899 A.H. Beard has sold over 7 million mattresses.
- The largest mattress ever made was 3 metres wide and 2 metres long.
- The strangest request A.H. Beard has received was to produce a handmade all natural Talalay mattress for a dog, at a retail value around \$8,000.
- When A.H. Beard's NSW facility moved into new premises in Padstow in 2015, the entire 20,000m2 operation was completely moved within just 3 days.
- The company's Signature Collection of hand crafted mattresses are made by a dedicated team of highly skilled master craftsmen in Sydney. These extremely labour-intensive mattresses can take a team of four people up to ten days to produce, and retail for up to AUD75,000.